

Montana Advocates for Children

Child Care Market Rate Information

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HB 2

History of Child Care Market Rate Survey in Montana

- From the very beginning, the Federal Child Care Bureau recommended that states do an annual market rate survey to establish reimbursement rates for child care providers.
- Montana acted on this suggestion from the very start as a basis for establishing child care rates. District child provider rates are set by survey results in 12 multi-county districts. Scholarship rates for families are based on the 75th percentile of the Market Rate.
- An annual Market Rate Survey is included in the State Child Care Plan.

How are child care market rates different than other provider rates?

- Providers such as psychiatrists, physicians, licensed counselors, social workers, hospitals, nurses, and certified nursing assistants make a higher wage than child care providers and often work in a larger umbrella agency that offers a benefit package.
- A child care provider struggles to make a living wage and without the help of an annual rate increase based on a current market survey, it is difficult to provide services for families enrolled in the Best Beginnings Scholarship program.
- If child care rates are not raised, providers may be forced to take only private pay children and deny many working families access to child care or close their businesses because they cannot meet payroll and other expenses.

The early childhood industry is both good for business and vital to Montana's economy.

- Early care and education in Montana generates \$143.4 million annually and provides more than 6,600 full-time jobs.
- Child care businesses benefit all industries throughout Montana by enabling parents to work, attend school or training, which ensure a well-prepared and ready workforce.
- A ready workforce is critical for Montana's future economic success.

Quality Early Care and Education is a foundation of a ready workforce in Montana.

- The Statewide Workforce Investment Board has made the early care and education industry one of their top three priorities.
- Quality early care and education programs boost success in K-12 and are an important part of Montana's education system.
- The child care industry is the backbone of Montana's economy; they are small and micro businesses that help parents get their children ready to succeed in school.
- People who have jobs need child care; it keeps people working and off of public assistance.

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Montana Advocates for Children is a Partnership between:
MT Association for the Education of Young Children* MT Child Care Association
MT Head Start Association * MT Child Care Resource & Referral Network

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